

DOCKET 25835 - #9

meets the requirements of §252(f) of the Telecommunications Act of 1996 and is compliant with the provisions of §271(c)(2)(B) of the Telecommunications Act of 1996 is, with the oral and written concurrence of BellSouth Telecommunications, Inc., hereby suspended indefinitely. The Commission will, however, endeavor to render its determinations in this regard as expeditiously as possible following the completion of the Operational Support Systems proceedings ordered herein and the cost proceedings being conducted under Commission Docket 26029.

IT IS FURTHER ORDERED BY THE COMMISSION, That BellSouth Telecommunications, Inc. shall conduct a live, public demonstration of the electronic interfaces allowing access to its Operational Support Systems for the Commission, the Commission staff, and the intervenors to this proceeding at 9:30 a.m., on December 18, 1997, in the Commission Hearing Room, Suite 900, 100 North Union Street, Montgomery, Alabama 36104. BellSouth shall be further prepared to demonstrate or explain in detail any manual interfacing requirements it currently has in place with regard to its Operational Support Systems.

IT IS FURTHER ORDERED BY THE COMMISSION, That the intervenors in this cause who desire to participate in the above-noted Operational Support Systems demonstration shall file documentation listing the electronic interfaces they envision utilizing in their provision of local service in Alabama and the purported deficiencies in those interfaces as proposed by BellSouth no later than November 14, 1997. Such filings shall include any performance measures proposed by the intervenors to the extent that they have not already been addressed on the record in this proceeding.

DOCKET 25835 - #10

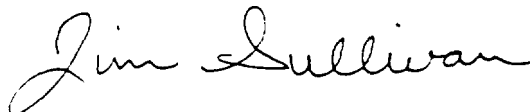
IT IS FURTHER ORDERED BY THE COMMISSION, That BellSouth Telecommunications, Inc. shall file its written responses to the claims of deficiencies in its Operational Support Systems interfaces and to any performance measures proposed by the intervenors no later than December 5, 1997.

IT IS FURTHER ORDERED BY THE COMMISSION, That jurisdiction in this cause is hereby retained for the issuance of any further order or orders that may be deemed just and reasonable in the premises.

IT IS FURTHER ORDERED, That this Order shall be effective as of the date hereof.

DONE at Montgomery, Alabama, this ~~16th~~ day of October, 1997.

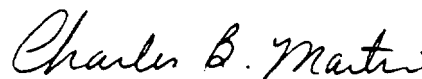
ALABAMA PUBLIC SERVICE COMMISSION



Jim Sullivan, President

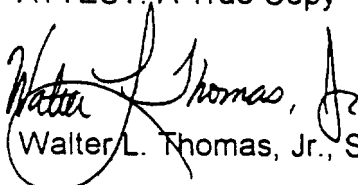


Jan Cook, Commissioner



Charles B. Martin, Commissioner

ATTEST: A True Copy



Walter L. Thomas, Jr., Secretary

ATTACHMENT 55

COMMISSIONERS:

STAN WISE, CHAIRMAN
DAVID H. BAKER
ROBERT D. GIBSON, WAKER
HOWARD BAKER
HOWARD BAKER



DOCKET# 7253
DOCUMENT# 19103

GEORGE H. FLANNERY
EXECUTIVE DIRECTOR
TERRY M. CYRILL
EXECUTIVE SECRETARY

Georgia Public Service Commission

244 WASHINGTON STREET, S.W.
ATLANTA, GEORGIA 30334-5701
(404) 466-4301 OR 1 (800) 292-5673

RECEIVED

OCT 30 1997

ENCLOSURE
G.P.S.C.

DOCKET NO. 7253-U

INTERIM ORDER REGARDING REVISED STATEMENT

Is re: BellSouth Telecommunications, Inc.'s Revised Statement of Generally Available Terms and Conditions Under Section 253(f) of the Telecommunications Act of 1996

Original Statement Filed: January 22, 1997

Original Decision: March 20, 1997

Revised Statement Filed: June 6, 1997

Decision: October 29, 1997

APPEARANCES:

On Behalf of the Commission Staff:

Nancy Gibson
Tiana L. Schaefer

On Behalf of the Consumers' Utility Council:

Ken Woods
John McLern

On Behalf of BellSouth Telecommunications, Inc.:

Fred McCullum
William Ellenberg
Bennett Row

On Behalf of AT&T Communications of the Southern States, Inc.:

Kenneth McNeeley
James Lamoreaux
Laureen McGurk Seeger
Thomas Lerner

OCT-31-1997 16:00

P.03

On Behalf of BellSouth Cellular of Georgia
Charles Gerkin

On Behalf of American Communications Services of Columbia, Inc.
L. Craig Dowdy
William Rice

On Behalf of BellSouth Long Distance, Inc.
Michael S. Bradley

On Behalf of Cable Television Association of Georgia:
James Cornford

On Behalf of Competitive Telecommunications Association:
John M. Stuckey

On Behalf of Georgia Public Communications Association:
Dean Fuchs

On Behalf of MCI Telecommunications, Inc.:
David I. Adelman
Marsha A. Ward
Martha P. McMullen

On Behalf of Intermedia Communications, Inc.:
Jonathan Canin

On Behalf of Sprint Communications Company, L.P.:
William Atkinson
Carolyn Roddy

BY THE COMMISSION:

This matter comes before the Commission on the June 6, 1997, application by BellSouth Telecommunications, Inc. ("BellSouth," "the Company" or "BST") for approval pursuant to Section 252(f) of the Telecommunications Act of 1996 ("the Act") of its Revised Statement of Generally Available Terms and Conditions ("Revised Statement" or "Revised SGAT"). The Commission issues this Order to record its determination, following extensive review, that the Revised Statement should be permitted to take effect and that certain additional steps must be taken in order for BellSouth to further its efforts under Sections 251 and 252 of the Act. The Commission will release its Final Order at a later date fully documenting this decision, and expressly retains jurisdiction to do so pursuant to Section 252(f)(4) of the Act.

A1-3271554 10-26

P.04

This docket involves the application of BellSouth for approval of its Revised Statement of Generally Available Terms and Conditions pursuant to Section 252(f) of the Telecommunications Act of 1996. It does not address issues pertaining to any prospective BellSouth application to the FCC under Section 271 for in-region inter-ATA authority. Therefore the Commission's determination in this docket does not address issues of whether BellSouth would meet the 14-point checklist requirements under Section 271. The Commission's determination, as set forth in this Interim Order and as detailed in the Further Order which the Commission shall release, is limited to the scope of this docket, which only evaluates whether BellSouth's Revised Statement should be approved, rejected, or allowed to take effect pursuant to the analysis of Section 252(f).

The Commission's decision to permit the Revised Statement to take effect will allow the Commission to continue to review the Statement and will make the rates, terms, and conditions contained in the Statement available to new entrant CLECs. The Commission can later reject or approve BellSouth's Statement depending primarily on two factors. The first is BellSouth's continued development of the electronic interface access to operational support systems. The second factor is the development of and compliance with the performance measures and standards that the Commission will establish in Docket No. 7892-U. There also are other, relatively minor factors (such as implementation of dialing party, number portability, collocation pricing arrangements, provisioning associated with access to rights-of-way, additional language for the reciprocal compensation section, improvements regarding access of changes, monitoring needs experience relative to resale discount) that were discussed in the Staff's recommendations which the Commission adopted, and that will be documented in the Final Order that the Commission will subsequently release.

The Commission's determination that the Revised SCAT should be allowed to take effect is based upon evaluating the following points, pursuant to the Commission's policies and standards set forth in its previous orders in this docket in accordance with the Telecommunications Act of 1996 and Georgia's Telecommunications and Competition Development Act of 1996:

- BellSouth has made substantial progress in testing the functional availability of its network elements, facilities, and services for resale, and in developing electronic interface access to its operational support systems (OSS). Some further development will be necessary, especially to refine the OSS electronic interfaces and demonstrate whether they provide non-discriminatory access at parity to BellSouth's internal OSS access. This can be demonstrated, for example, through a comparison of how BellSouth provisions services for itself and how it provisions like services to CLECs.

- BellSouth has made additional progress in developing physical collocation arrangements and procedures, and in specifying initial criteria for performance standards. Further work will be required to develop additional criteria, requirements, and potential incentives for performance standards in Docket No. 7892-U, and to implement the Commission's Docket No. 7061-U directives regarding collocation pricing arrangements.

Docket No. 7253-U

Page 3 of 12

U-1-3171997 20:27

P.05

The prices for BellSouth's unbundled network elements, interconnection and collocation, access to poles, ducts, conduits, and rights-of-way, interior number portability, initial recovery for electronic switches access to operational support systems, and other related aspects of access to BellSouth's interconnection and unbundled network elements have now been set in Docket No. 7061-U, thus providing these items in the Revised Statement with established, cost-based rates.

The substantial progress achieved in these areas provides a good and reasonable basis for permitting the Revised Statement of Generally Available Terms and Conditions to take effect. This will have no prohibitive or preclusive effect on any BellSouth application for local ATA services under Section 271, especially in view of the additional development needed for such items as OSS electronic interfaces and performance standards. Such additional work will be critical to any future endorsement of in-region local ATA entry by BellSouth. However, permitting the Revised SGAT to take effect will allow CLECs to make use of its rates, terms and conditions while the Commission conducts continuing review of the OSS electronic interfaces, performance standards, and related items.

Following is a summary of the Staff recommendations as adopted by the Commission in its description in this docket. The Commission's discussion as to each of these items shall be detailed in the Final Order to be released at the earliest practicable date:

251 (b)(1) Resale.—The duty not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, the resale of its telecommunications services.

Although the parties continue to disagree with the restrictions imposed by BST, those restrictions, with the exception of MCI migrate as-to directory listing which BST has inserted into the Revised SGAT, were approved by the Commission in the AT&T and MCI Arbitration Dockets and in Docket 6352-U (Petition of AT&T to establish resale rules, rates, terms and conditions and the initial unbundling of services). These same restrictions also appear in BST's resale tariff which is incorporated in the Revised SGAT. BST appears to meet the requirements set forth in Section 251(b)(1) subject to compliance with Docket No. 6352-U.

251 (b)(2) Number Portability.—The duty to provide, to the extent technically feasible, number portability in accordance with requirements prescribed by the Commission.

BellSouth has demonstrated its ability to provide Interior Number Portability through Remote Call Forwarding or Direct Inward Dialing trials. As of August 12, 1997, BellSouth has ported 2,519 businesses and 15 residence directory numbers in Georgia. A permanent number portability solution is scheduled to be initiated in the 4th quarter 1997. Efforts by the Number Portability Workgroup (established in Docket 5240-U) to develop a permanent switch-based solution are still continuing.

The permanent cost-based rates for interior number portability have been established in Docket No. 7061-U, and should be incorporated into the Revised SGAT.

Docket No. 7253-U

Page 4 of 12

OCT-31-1997 15:42

P.06

This item should be allowed to take effect, and the Commission should continue to oversee and ensure that the developments regarding implementation of permanent number portability incorporated into the Revised SGAT when found to be available and acceptable by the Commission.

251 (b)(3) Dialing Parity.—The duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays.

BellSouth adheres to the code administration guidelines published by the Industry Numbering Council. As of 6/24/97, BellSouth has assigned 80 NXX codes to CLECs in Georgia.

The Commission's March 21, 1997 Order in this docket pointed out the necessity of providing electronic interfaces for directory listings, which are now available through both LENS and EDI (see BST Ex. 81 at p. 14).

CLECs presently have 14 operator trunks in place in Georgia, and are purchasing directory assistance services from BST. BST has provided extensive documentation outlining its procedures for code administration, operator services, directory assistance, and directory listings (BST Ex. 54).

Although a third party Numbering Administrator has been selected, it has yet to begin the task of assigning numbers. Additionally, during the pre-ordering phase, the use of BST's OSS is necessary to resolve the telephone numbers.

The development of performance measurements in Docket No. 7892-U may include standards pertaining to the provisioning of dialing parity.

This item should be allowed to take effect so that the Commission will continue to review the development of OSS, performance standards and installment of the third party numbering administrator.

251 (b)(4) Access to Rights-of-Way.—The duty to afford access to the poles, ducts, conduits, and rights-of-way of such carrier to competing providers of telecommunications services on rates, terms, and conditions that are consistent with section 224.

BellSouth has negotiated 10 contracts with CLECs in Georgia for their use of BST administered poles, ducts, conduits, and rights-of-way. One certificated CLEC in Georgia has implemented access to the poles, ducts, conduits, and rights-of-way. Cable television companies and power companies have been provided access to poles, ducts, conduits, and rights-of-way for some time. Access to poles, ducts, conduits, and rights-of-way is functionally available from BST.

OCT-31-1997 10:00

P.07

Seven of the nine opponents in this docket did not specifically address the issue of access to poles, ducts, conduits, and rights-of-way. The only argument advanced by five of the nine opponents was that the rates were not cost-based. Not one opponent to BST's Revised SGAT presented any testimony that clearly showed that access to poles, ducts, conduits, and rights-of-way is not functionally available from BST.

In its previous Order, the Commission rejected BST's SGAT stating that the rates for access to rights-of-way were interim, subject to true-up. The Commission has now made a determination in Docket No. 7061-U which established cost-based rates.

BST's Revised SGAT provides CLECs with functional availability to access to poles, ducts, conduits, and rights-of-way. However, the Commission believes that this item warrants continued review to ensure that the standard licensing agreement and the timeliness of provision of these items can be monitored.

251 (b)(5) Reciprocal Compensation.—The duty to establish reciprocal compensation arrangements for the transport and termination of telecommunications.
[Pricing for reciprocal compensation is also addressed in Section 252(d)(2).]

The Revised SGAT includes terms under which BST will provide mutual reciprocal recovery of costs associated with the transport and termination of telecommunication services. In addition, 37 of the 98 negotiated interconnection agreements BST filed with the Commission contain provisions for reciprocal compensation arrangements. MCI, MFS and ACSI are currently trading traffic with BST.

The Commission previously found the deficiencies in the charges for reciprocal transport and termination were interim rates, subject to true-up. These rates have now been established by the Commission in Docket No. 7061-U. That concern having been removed, the general offering of this section of the Revised SGAT should not be delayed and should be allowed to take effect subject to the following addition: That in the event of a dispute, LECs and CLECs shall continue to transport and terminate one another's traffic so that end-users are not affected until such dispute is resolved. This language must be incorporated into the Revised SGAT.

251 (c)(1) Duty to Negotiate.—The duty to negotiate in good faith in accordance with section 252 the particular terms and conditions of agreements to fulfill the duties described in paragraphs (1) through (5) of subsection (b) and this subsection. The requesting telecommunications carrier also has the duty to negotiate in good faith the terms and conditions of such agreements.

As of 10/1/97, the Commission has approved 93 negotiated interconnection agreements filed by BST. The first negotiated agreement approved by the Commission was filed jointly by BST and MCI Metro on May 14, 1996. This agreement was subsequently approved by the Commission on August 8, 1996. In addition, the Commission has approved 4 arbitrated agreements which contain several provisions agreed to by BST and CLECs as a result of negotiations.

OCT-31-1997 10:55

AT&T agreed to the limited, initial performance standards and measures contained in an addendum to its arbitration agreement. AT&T and the other parties will have a full opportunity to have additional concerns addressed in Docket No. 7892-U.

This item should be allowed to take effect and the Commission will continue to review the allegations of parties that may arise before any final approval of the Revised SGAT.

251 (c)(2) Interconnection--

The duty to provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the local exchange carrier's network--

(A) for the transmission and routing of telephone exchange service and exchange access;

(B) at any technically feasible point within the carrier's network;

that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection; and

(D) on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, in accordance with the terms and conditions of the agreement and the requirements of this section and section 252.

This portion of the Revised SGAT should be allowed to take effect. BellSouth shall also submit to the Commission, on a monthly basis, appropriate surveillance data demonstrating that it is in compliance with the existing performance standards contained in the Revised SGAT. BellSouth shall also provide evidence of such compliance in Docket No. 7892-U. Further, the performance standards adopted by the Commission at the conclusion of Docket No. 7892-U must be incorporated into the Revised SGAT. This will assist in ensuring long-term compliance with the nondiscriminatory access provisions contained in the federal Telecommunications Act.

In addition, within 30 days of the effective date of the Commission's Final Order to be issued in Docket No. 7253-U, the Commission shall conduct a technical workshop to address any perceived deficiencies associated with BST's OSS systems. This workshop is intended to be non-adversarial. The purpose of this workshop is not to redesign BST's existing OSS systems, but rather to discuss and propose any necessary enhancements to the systems which will aid CLECs entry into the local market and ensure that BST's OSS systems meet the spirit and the intent of the Act. The Staff shall report the results of this workshop to the Commission in a written report within 14 days of the conclusion of same. This report and any subsequent actions resolved by BST should be given substantial weight in determining if BST's OSS systems comply with the requirements of the Act.

251 (a)(2) Unbundled Access.-- The duty to provide, to any requesting telecommunications carrier for the provision of a telecommunications service, nondiscriminatory access to network elements on an unbundled basis at any technically feasible point on rates, terms, and conditions that are just, reasonable, and

OCT-31-1997 11:00

P.07

nondiscriminatory in accordance with the terms and conditions of this agreement and the requirements of this section and section 251. An incumbent local exchange carrier shall provide such unbundled network elements in a manner that allows requesting carriers to combine such elements in order to provide such telecommunications service.

This portion of the Revised SGAT be allowed to take effect, and BellSouth shall be required to submit to the Commission, on a monthly basis, appropriate surveillance data demonstrating that it is in compliance with the existing performance standards contained in the Revised SGAT. BST shall also provide evidence of such compliance in Docket No. 7892-U. Further, the performance standards to be adopted by the Commission at the conclusion of Docket No. 7892-U must be incorporated into the Revised SGAT. A decision in Docket No. 7892-U is scheduled for December 16, 1997. This decision will assist in ensuring long-term compliance with the nondiscriminatory access provisions contained in the Federal Telecommunications Act.

In addition, within 30 days of the effective date of the Commission's Final Order issued in Docket No. 7253-U, the Commission shall conduct a technical workshop to address any perceived deficiencies associated with BST's OSS systems. This workshop is intended to be non-adversarial. The purpose of this workshop is not to redesign BST's existing OSS systems, but rather to discuss and propose any necessary enhancements to the systems which will aid CLECs entry into the local market and ensure that BST's OSS systems meet the spirit and the intent of the Federal Telecommunications Act. The Staff shall report the results of this workshop to the Commission in a written report within 14 days of the conclusion of same. This report should be given substantial weight in determining if BST's OSS systems comply with the requirements of the Act.

251 (c)(4) Resale.—The duty—

(A) to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers; and
(B) not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, the resale of such telecommunications service, except that a State commission may, consistent with regulations prescribed by the Commission under this section, prohibit a reseller that obtains at wholesale rates a telecommunications service that is available at retail only to a category of subscribers from offering such service to a different category of subscribers.

The Revised SGAT offers a wholesale discount for residential and business services which is consistent with BST's resale tariff as well as the orders of the Commission in Docket No. 6352-U.

In the Revised SGAT as of July 22, 1997, CLECs were reselling 60,313 of BST's "top" 50 retail services in Georgia. According to the testimony of BST witness Mr. Milner, other retail services, although not actually ordered at this time, are functionally available for resale.

Unlike the previous SGAT, there are now electronic interfaces for OSS systems that can be used by the CLECs. The Commission also makes permanent its approval (previously provided on an interim basis) of BellSouth's provision of limited customer service record information through the LENS preordering interface to certified CLECs, subject to the qualifications expressed in previous Commission orders regarding this matter. The evidence does not show conclusively, however, that these interfaces provide nondiscriminatory access at parity as required by the Act. Any perceived deficiencies should be addressed in the workshop that the Staff has recommended.

Given the amount of activity within the resale service environment, the Commission concludes from the evidence and testimony presented that BST's services for resale are functionally available and that the Revised SGAT should take effect. However, OSS electronic interface issues related to the provision of resale and any related performance standards (as addressed in Docket No. 7892-U) warrant continued development and review by the Commission.

251 (c)(5) Notice of Changes. The duty to provide reasonable public notice of changes in the information necessary for the transmission and routing of services using that local exchange carrier's facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks.

This section should be allowed to take effect, with continuing Commission review. The Revised SGAT needs improvements in specifically stating the time frame for providing notice of changes as well as how or the means need to provide notice. BST shall be required to consult with the CLECs and develop standards and measures necessary to provide reasonable notice of changes. The Revised SGAT makes general statements that it will provide notice of changes. Yet the testimony of ASCL, MCI and ICI provide evidence that there have been and continue to be instances where BST fails to provide reasonable notice of changes. The Commission will require BST and the CLECs to develop specific standards and time frames for providing notice of changes.

251(c)(6) Collocation.— The duty to provide, on rates, terms, and conditions that are just, reasonable, and nondiscriminatory, for physical collocation of equipment necessary for interconnection or access to unbundled network elements at the premises of the local exchange carrier, except that the carrier may provide for virtual collocation if the local exchange carrier demonstrates to the State commission that physical collocation is not practical for technical reasons or because of space limitations.

BST has at least 25 collocation arrangements in progress or in place in Georgia with one physical collocation arrangement in the Atlanta area. The rates established in Docket No. 7061-U for the ordering and provisioning of collocation are consistent with the price standard of Section 251(c)(6), including the specific modification to the collocation pricing arrangements which must be incorporated into the Revised SGAT.

The "Collection Handbook" is now a part of the Revised SGAT and changes to it cannot be made without Commission knowledge, which minimizes any potential competitive advantage BST may have if unilateral changes were allowed. The Commission concluded that the "Handbook" appeals to provide a reasonable layout and arrangements for CLSC collection.

The fact that there are at least 25 collection arrangements in place in Georgia with a number of other arrangements ongoing in this region, shows that physical collection is feasible with some improvements as laid forth implements the Commission's Docket No. 7061-U decision. In Docket No. 7061-U, the Commission adopted rates and methodologies that will significantly impact the manner in which collection may be implemented. Continued surveillance will be necessary to ensure compliance with this recent development.

The portion of the Revised SGAT should be allowed to take effect with continued Commission review and monitoring of this item.

252 (d)(1) Interconnection and Network Element Charges -- Determinations by a State commission of the just and reasonable rate for the interconnection of facilities and equipment for the purposes of subsection (e)(2) of section 251, and the just and reasonable rate for network elements for purposes of subsection (e)(3) of such section

(A) shall be --

(i) based on the cost (determined without reference to a rate-of-return or other rate-based proceeding) of providing the interconnection or network element (whichever is applicable), and

(ii) nondiscriminatory, and

(B) may include a reasonable profit.

The Commission has gone through extensive hearings in Docket No. 7061-U to determine the appropriate cost-based prices for interconnection (which includes collection), unbundled network elements and the "recombination" issue. The Commission in its Administrative Session on October 21, 1997 approved the Staff revision of the inputs to the BST TELRIC Calculator, then establishing cost-based rates. The Commission also adopted two slight changes: one that includes all vertical features in the \$1.83 recurring switch port charge, and a second that removes a separate \$1.00 interconnection non-recurring charge. With respect to recombination of network elements, the Eighth Circuit Court of Appeals reaffirmed its decision on the Combination of Network Elements (Recombination) which supports the Commission's previous ruling in the recombination case, Dockets No. 6601-U, 6865-U and 6954-U. The Commission also previously provided that the rebundling issue should be further addressed in a separate, generic docket in the future.

Therefore, the Commission established cost-based rates for the unbundled network elements and all other rates established in Docket No. 7061-U should be incorporated within the Revised SGAT. This item should be approved.

LUT-31-1997 11-02

252 (d)(2) Charges for Transport and Termination of Traffic --

(A) In General --For the purposes of compliance by an incumbent local exchange carrier with section 251(b)(3), a State commission shall not consider the terms and conditions for reciprocal compensation to be just and reasonable unless--

(i) such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier; and

(ii) such terms and conditions determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls.

The Commission established permanent rates based on cost in Docket No. 7061-U and therefore this section should be approved, with the note that if carriers have any disputes regarding reciprocal compensation for transport and termination of traffic, the carriers must continue to carry the traffic so that end users are not affected. This additional provision must be incorporated into the Revised SGAT.

252 (d)(3) Wholesale Prices for Telecommunications Services. --

For the purposes of section 251(a)(4), a State commission shall determine wholesale rates on the basis of retail rates charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by the local exchange carrier.

The Commission previously established interim cost-based rates (Docket No. 6352-U) which will stay in effect until a more definite market indicator can be determined. This item should be permitted to take effect, and continue to be monitored.

Therefore, the Commission determines that the Revised Statement overall, as a whole, should be permitted to take effect. In addition, all previous conditions and requirements imposed by the Commission pertaining to the subject matter of the Revised SGAT remain in effect. The Commission notes that permitting the Revised SGAT to take effect under Section 252(f)(3)(B) is not an explicit determination by the Commission that BellSouth's Revised SGAT complies in all respects with Sections 251 and 252(d). In addition, the Commission is not endorsing all aspects of the Revised Statement, and the Commission is not reaching any conclusion as to whether BellSouth or its Revised SGAT would meet the checklist requirements of Section 271. The Commission concludes that the Statement may not yet fully comply with all of the standards and requirements of Sections 251 and 252(d) of the Act, especially with regard to the need for continued development of electronic interface access to operational support systems and performance standards. However, the Revised Statement overall does comply to such a degree that it should be permitted to take effect so that new entrant CLECs may take its rates, terms and conditions.

Section 252(f)(4) provides that when a Statement is permitted to take effect, the state commission retains the authority to approve or reject the SGAT at a later date. This docket shall

DOCT-31-1997 15:47

252 (d)(2) Charges for Transport and Termination of Traffic —

(A) In General —For the purposes of compliance by an incumbent local exchange carrier with section 251(b)(3), a State commission shall not consider the terms and conditions for reciprocal compensation to be just and reasonable unless—

(i) such terms and conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier; and

(ii) such terms and conditions determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls.

The Commission established permanent rates based on cost in Docket No. 7061-U and therefore this section should be approved, with the note that if carriers have any disputes regarding reciprocal compensation for transport and termination of traffic, the carriers must continue to carry the traffic so that end users are not affected. This additional provision must be incorporated into the Revised SGAT.

252 (d)(3) Wholesale Prices for Telecommunications Services . —

For the purposes of section 251(e)(4), a State commission shall determine wholesale rates on the basis of retail rates charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by the local exchange carrier.

The Commission previously established interim cost-based rates (Docket No. 6352-U) which will stay in effect until a more definite market indicator can be determined. This item should be permitted to take effect, and continue to be monitored.

Therefore, the Commission determines that the Revised Statement overall, as a whole, should be permitted to take effect. In addition, all previous conditions and requirements imposed by the Commission pertaining to the subject matter of the Revised SGAT remain in effect. The Commission notes that permitting the Revised SGAT to take effect under Section 252(f)(3)(B) is not an explicit determination by the Commission that BellSouth's Revised SGAT complies in all respects with Sections 251 and 252(d). In addition, the Commission is not endorsing all aspects of the Revised Statement; and the Commission is not reaching any conclusion as to whether BellSouth or its Revised SGAT would meet the checklist requirements of Section 271. The Commission concludes that the Statement may not yet fully comply with all of the standards and requirements of Sections 251 and 252(d) of the Act, especially with regard to the need for continued development of electronic interface access to operational support systems and performance standards. However, the Revised Statement overall does comply to such a degree that it should be permitted to take effect so that new entrant CLECs may take its rates, terms and conditions.

Section 252(f)(4) provides that when a Statement is permitted to take effect, the state commission retains the authority to approve or reject the SGAT at a later date. This docket shall

001731-721 11-06

remain open and the Commission shall exercise review of the Revised Statement to ensure compliance with the Federal Act and the Georgia Act and the Commission's orders in Docket No. 6354-U (pertaining to resale), 7061-U (especially with respect to collection pricing arrangements), and 7012-U (performance standards)). The Commission shall also review any further revisions to the Statement that BellSouth may submit regarding electronic interfaces following the workshop on electronic interfaces for operational support systems as recommended by the Staff, and addressing the response of the Statement requiring further review as shall be detailed in the Final Order that the Commission shall soon release.

WHEREFORE THE COMMISSION ORDERS that:

- A. BellSouth's Revised Statement of Generally Available Terms and Conditions shall be allowed to take effect for the reasons that are discussed in this Interim Order and that shall be expressed to detail in the Final Order that shall soon be released, pursuant to Section 252(f) of the Telecommunications Act of 1996.
- B. This decision shall be kept open for release of the detailed Final Order and for continuing Commission review of the Revised Statement, particularly those provisions as to which the Commission has expressed concern as discussed in this Interim Order and the Final Order. In addition, all previous conditions and requirements imposed by the Commission pertaining to the subject matter of the Revised SGAT remain in effect.
- C. All statements of fact, law, and regulatory policy examined within the preceding sections of this Order are hereby adopted as findings of fact, conclusions of law, and conclusions of regulatory policy of this Commission.
- D. A motion for reconsideration, rehearing or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.
- E. Jurisdiction over these matters is expressly retained for the purpose of entering the Final Order and such further Order or Orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 29th day of October,

1997


Terri M. Lyneal
Executive Secretary


Stan Wiley
Chairman

Date

10/30/97

Date

10-30-97

Docket No. 7253-U

Page 12 of 12